

# **EXHIBIT 1**

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MISSOURI  
EASTERN DIVISION

POWER INVESTMENTS, LLC, )  
Plaintiff, )  
v. )  
CARDINALS PREFERRED, LLC, ) No 4:21-CV-1022 SEP  
Defendant. )

TEMPORARY RESTRAINING ORDER HEARING  
BEFORE THE HONORABLE SARAH E. PIKLYK  
UNITED STATES DISTRICT JUDGE  
AUGUST 19, 2021

APPEARANCES:

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APPEARANCES CONTINUED:

For Defendant: Joseph J. Tuso, Esq.  
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(For clarity of the record, there were two Mr. O'Briens present. Mr. Stephen J. O'Brien was the lead counsel of record for defendants in the transcript.)

1 not; right? We're seeking specific performance in the case.

2                 But today what we're saying is we need a TRO and then  
3 eventually a preliminary injunction to preserve those rights;  
4 right? We're not seeking an ultimate ruling on whether, you  
5 know, the Call Option is a binding agreement which they have  
6 to perform. We're not saying, hey, you know, enter a  
7 preliminary injunction now.

8                 So our -- we're simply seeking an injunction for 14  
9 days, just like the rule applies, to go through the normal  
10 process.

11                 THE COURT: Okay. But what do you want me to enjoin  
12 for 14 days?

13                 MR. LAROSE: So on our proposed order, we're  
14 enjoining -- it all has to do with this conversion; right? So  
15 we want to enjoin the exercise or otherwise advancing or  
16 acting upon any purported conversion, right, like the  
17 conversion we'll talk about from this Sunday.

18                 THE COURT: Uh-huh.

19                 MR. LAROSE: Taking or attempt to take action that  
20 would frustrate or nullify, subvert, or interfere with in any  
21 way the consummation of the Call.

22                 THE COURT: Okay.

23                 MR. LAROSE: Delaying the consummation of the Call.

24                 So what we're trying to do is simply preserve the  
25 status quo. We understand that there's a competing --

1 sorry -- a competing -- you know, there's competing rights in  
2 this operating agreement that we think needs to be litigated.  
3 We think ours prevails.

4                 But in the meantime, right, what we can't have is  
5 that the Preferred Units get converted, and the reason we  
6 can't have that is because there's nothing left to sell;  
7 right? This is a unique piece of property that we've  
8 bargained to buy with it.

9                 You know, we would get -- if allowed, and the  
10 judge -- and the Court orders us to purchase it, we get  
11 preferred rights under the operating agreement, which are  
12 valuable rights, and a unique piece of property.

13                 THE COURT: And that transaction, if it's allowed,  
14 the conversion of the Preferred Units to Class A Units -- and  
15 please don't mistake my use of those terms as a deep  
16 understanding of what they mean. But from Preferred Units to  
17 Class A Units -- that cannot be undone? They could not  
18 reverse that transaction later?

19                 MR. LAROSE: So there's all sorts of things they can  
20 do with that. They can -- you know, there's common shares --  
21 so it gets converted to a common share; right? And once it's  
22 a common share, then there's other rights that arise by virtue  
23 of that, such as, right, they become -- they step into our  
24 shoes as the majority of common share --

25                 THE COURT: Right. And there's a board member

1 associated with that; right?

2 MR. LAROSE: Yeah. And the reason that's  
3 important -- sorry to interrupt --

4 THE COURT: No.

5 MR. LAROSE: -- is because the board controls 100  
6 percent of how this company operates; right? Right now, Mason  
7 Miller is our one board representative out of the three.  
8 Cardinals has two already; right? So, presumably, they take  
9 those common share voting interests as the majority owner now,  
10 which is how we have our board seat.

11 THE COURT: What would happen to the one associated  
12 with the preferred shares which they would no longer have?

13 MR. LAROSE: You know, it's -- to me, it's sort of an  
14 ambiguous question.

15 THE COURT: Okay.

16 MR. LAROSE: I don't know how that would work. It  
17 doesn't seem to contemplate that but --

18 THE COURT: But it would certainly be the case that  
19 they would now have the majority of the Class A shares or  
20 common shares. Are those interchangeable terms?

21 MR. LAROSE: Yes.

22 THE COURT: Are there different classes of common  
23 shares?

24 MR. LAROSE: No.

25 THE COURT: Okay. So they would have -- the majority

1 cannot be compensated with money.

2 MR. LAROSE: Yes. I mean, I think the whole nature  
3 of a specific performance claim, right, is that we're trying  
4 to buy a unique asset. The only way to buy the unique asset  
5 is if the conversion is stopped or the status quo as of our  
6 Call, right, is preserved such that, if we're right and  
7 they're wrong, you know --

8 THE COURT: The transaction can still go forward.

9 MR. LAROSE: Yeah, we can still go forward with the  
10 transaction.

11 THE COURT: Okay. So you're looking in the TRO for  
12 14 days of an injunction to be determined on preliminary  
13 injunction whether that would go longer, preventing, to  
14 whatever extent that's possible -- and I'm sure I'll hear this  
15 from defendants -- the exercise or activities to advance the  
16 conversion of the preferred shares to common shares and  
17 enjoining defendants from taking any action that would  
18 frustrate or delay or otherwise impede the consummation of the  
19 Call, should it later be determined that the Call -- that you  
20 all are correct on the law. Is that correct?

21 MR. LAROSE: That's correct. And that would include  
22 things like, you know, re-certificating the shares from  
23 preferred to common, dealing with the preferred shares pledged  
24 to Regions Bank, and you know --

25 THE COURT: Those are the things that could be done

1                   THE COURT: Okay. Let me check back over here to see  
2 if we know the answer to that. Do we know the answer to that?  
3 What's the composition of the board?

4                   MR. LAROSE: I guess the third is both. It's both  
5 Mr. Miller and -- yeah, both shareholders get to elect a  
6 third.

7                   THE COURT: I see. You and the other shareholder  
8 agree to the third shareholder. Okay.

9                   And then -- but when you were talking about the  
10 management of the company, you're talking about something  
11 different than the board?

12                  MR. TUSO: I mean, the board would have an impact on  
13 that for sure.

14                  And if the Court would indulge me just to go back and  
15 answer, I think, one other question yet, "What would the  
16 effect be to their claim that they would lose a board seat?"  
17 they wouldn't lose anything as a result of not issuing this  
18 injunction today, the TRO.

19                  I mean, the fact of the matter is Mr. Miller will  
20 continue to be a board member. One of our board members will  
21 exist. And the third that they dually appoint -- dually, not  
22 duly, both appointed --

23                  THE COURT: Yeah.

24                  MR. TUSO: -- will -- that is the composition of the  
25 board.

CERTIFICATE

I, Shannon L. White, Registered Merit Reporter and Certified Realtime Reporter, hereby certify that I am a duly appointed Official Court Reporter of the United States District Court for the Eastern District of Missouri.

I further certify that the foregoing is a true and accurate transcript of the proceedings held in the above-entitled case and that said transcript is a true and correct transcription of my stenographic notes.

I further certify that this transcript contains pages 1 through 69 inclusive and that this reporter takes no responsibility for missing or damaged pages of this transcript when same transcript is copied by any party other than this reporter.

Dated at St. Louis, Missouri, this 23rd day of September, 2021.

/s/Shannon L White  
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/s/Shannon L. White  
Shannon L. White, CRR, RMR, CCR, CSR  
Official Court Reporter